# Declaration of Mark Koppersmith on behalf of XO Communications, LLC

## Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of	)	
Special Access Rates for Price Cap Local	)	WC Docket No. 05-25
Exchange Carriers	j	
AT&T Corp. Petition for Rulemaking to	)	
Reform Regulation of Incumbent Local	)	RM-10593
Exchange Carrier Rates for Interstate Special	)	
Access Services	)	

## DECLARATION OF MARK KOPPERSMITH OF XO COMMUNICATIONS, LLC

#### DECLARATION OF MARK KOPPERSMITH:

- I, Mark Koppersmith, hereby declare under penalty of perjury that the following is true and correct:
  - 1. My name is Mark Koppersmith. I currently am employed in the position of Director Telco Accounting, for XO Communications, LLC ("XO"). My business address is 11111 Sunset Hills Road, Reston, Virginia 20190. My primary job responsibilities include the accounting, planning and analysis of XO's costs of service including assessment of RBOC pricing and contracts.
  - 2. This Declaration is made on behalf of XO, and in support of the comments filed jointly by XO, Covad Communications Group and NuVox

    Communications in the above-captioned proceeding (the "Joint Comments") to refresh

the record and to urge the Commission to eliminate Phase II special access pricing flexibility and to reinitialize incumbent LEC rates for special access.<sup>1</sup>

- 3. XO is a competitive local exchange carrier ("CLEC"), headquartered in Reston, Virginia. Through its operating subsidiaries, XO currently offers a full suite of local and long distance voice, Dedicated Internet Access, Private Data Networking, Hosting and integrated telecommunications services to small businesses, enterprise and carrier customers. XO delivers services, in part, over its own network facilities, and also employs facilities leased or purchased from other carriers.
- 4. The purpose of this Declaration is to describe some of the exclusionary and anticompetitive conditions that ILECs tie to their special access discount plans and their pernicious effect on competition and XO in particular.

### **Anti-Competitive Terms and Conditions**

- 5. The ILECs typically offer modest discounts on special access rates subject to terms and conditions designed to harm competitors and to impede the development of facilities-based competition.
- 6. For example, in October 2006, Verizon presented a proposal to XO that would require XO to convert all of its UNE-based services one year prior to the date the FCC is expected to rule on its pending petitions for forbearance from section 251 unbundling obligations. XO rejected this unreasonable and anticompetitive proposal.

In the Matter of Special Access Rates for Price Cap Local Exchange Carriers, WC Docket No. 05-25, AT&T Corp. Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services, RM-10593, Public Notice, FCC 07-123 (July 9, 2007).

- 7. AT&T also has engaged in exclusionary conduct designed to force XO away from UNEs and onto special access. For instance, AT&T developed revenue commitments that would require XO to convert all UNEs to special access in order to get circuit portability. Another proposal by AT&T, presented to XO prior to the recent merger conditions placed on the AT&T merger with BellSouth, required XO to have specific UNE to -special access ratios in order to receive the proposed discounts. In addition, AT&T's proposal would require all additional services (i.e., all "growth") to be purchased as special access services rather than as UNEs, even where such circuits would otherwise be available as such. XO rejected these unreasonable and anti-competitive proposals.
- 8. Another tactic employed by certain incumbent LECs is to make a discount offer conditioned on a requirement that XO abstain from participation in certain FCC proceeding(s) in which the incumbent LEC has a position it is certain XO opposes. XO rejected this unreasonable anti-competitive proposal.
- 9. AT&T's refusal to provide entire-footprint discount plans and circuit portability is extraordinarily unreasonable and anti-competitive. AT&T's term/discount plans are offered on no greater than a regional level (*i.e.*, covering the territory of Southwest Bell Telephone, etc.). These restrictions limit XO's ability to manage network procurement effectively and to obtain discounts on ILEC special access and thereby artificially raise XO's costs.

10. This concludes my Declaration.

Mark Koppersmith

XO Communications, LLC

Dated: August 8, 2007